



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

Room 110 Capitol Building \* P.O. Box 201711 \* Helena, MT 59620-1711 \* (406) 444-2986 \* FAX (406) 444-3036

Legislative Fiscal Analyst  
CLAYTON SCHENCK

Date: May 22, 2008

To: Legislative Finance Committee

From: Jon Moe  
Fiscal Specialist

A handwritten signature of Jon Moe in black ink.

Subject: Required Reports for June 2008 LFC Meeting

The legislature (through statute, language in bills, or committee action) requires certain reports to be submitted to the Legislative Finance Committee (LFC) and the Legislative Fiscal Division (LFD). State agencies and other entities have been requested to provide information on various subjects of interest to facilitate the decision-making process.

The reports fit into two categories: 1) reports required to be submitted to the LFC are generally to monitor compliance or progress with legislative policy/initiatives; and 2) reports required to be submitted to the LFD are primarily to provide data relevant for staff analysis of budget issues for the next legislative session. The attached report lists the required reports identified and the occurrences of the reports received or expected to be received during the 2009 biennium.

Three reports have been received since the last LFC meeting (March 2008). Two of those reports (items #15 and #23) are attached under this cover for your review. The other report, the Department of Public Health and Human Services (DPHHS) report on Medicaid cost estimates and other program budget status reports (item #18) is not copied for the committee because of its size but rather is reviewed by division staff on behalf of the committee, and comments or concerns will be brought to the committee for its consideration. While statute requires that this report be provided monthly by the DPHHS starting November 15 and thru the end of the fiscal year, reports for the four most recent due dates have not been received as of this mailing.

Generally, this summary report on "required reports" is provided to the committee simply for information purposes. Although it is on the LFC meeting agenda, there are typically no oral reports provided unless there is an issue identified by the staff that needs to be brought to the committee's attention. If a committee member has a question, he or she can contact the indicated staff member directly or raise the question in the meeting.

If you have questions, please feel free to contact Jon Moe by e-mail at [jonmoe@mt.gov](mailto:jonmoe@mt.gov) or by telephone at 406-444-2986.

# Required Reports List for 2008-09 Biennium

Prepared by the Legislative Fiscal Division

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2																														
<b>1</b> House Bill 2	DPHHS	Semiannual	LFC	Daumiller																															
<b>Short Description: Report summarizing direct care wage rates (Section B of HB 2, page B-11 of HB 2 version in fiscal report)</b>																																			
<table> <tr> <th>Reports Scheduled / Rec'd:</th><th><u>During Fiscal Year</u></th><th><u>Submitted by</u></th><th><u>Due Date</u></th><th><u>Recd Date</u></th><th><u>Comment</u></th></tr> <tr> <td></td><td>2008</td><td>DPHHS</td><td>3/1/2008</td><td>3/5/2008</td><td>On File</td></tr> <tr> <td></td><td>2008</td><td></td><td>9/1/2008</td><td></td><td></td></tr> </table>						Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>		2008	DPHHS	3/1/2008	3/5/2008	On File		2008		9/1/2008														
Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>																														
	2008	DPHHS	3/1/2008	3/5/2008	On File																														
	2008		9/1/2008																																
Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2																														
<b>2</b> 2-17-515	Administration	Upon Occur.	LFC	DeWitt																															
<b>Short Description: Exceptions to information technology policy, standard, or other requirement.</b>																																			
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Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>																														
	2008	Administration	10/9/2007	10/9/2007	Provided at Oct 2007 LFC meeting																														
	2008	Administration	12/11/2007	11/26/2007	Provided for Dec 2007 LFC meeting in CIO report																														
	2008	Administration	3/6/2008	3/6/2008	Provided at Mar 2008 LFC meeting																														
	2008	Administration	6/5/2008		Expected at Jun 2008 LFC meeting																														
Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2																														
<b>3</b> 2-17-522	Administration	March, Even Yr	LFC	DeWitt																															
<b>Short Description: Updates to state strategic information technology plan. It is to be provided to the LFC at its first meeting following March 1st of even year.</b>																																			
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Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>																														
	2008	Administration	3/1/2008	3/6/2008	Provided at the Mar 2008 LFC meeting																														

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
4	17-1-505(2)	Agencies	Upon Occur.	LFD	Moe	
Short Description: Report on the identification of the use of a dedicated revenue provision that does not satisfy the criteria established in statute. The Legislative Fiscal Analyst will report these to the LFC no later than Oct. 31 of the year preceding a regular session.						
Reports Scheduled / Rec'd: <u>During Fiscal Year</u> <u>Submitted by</u> <u>Due Date</u> <u>Recd Date</u> <u>Comment</u>						
2008					None reported	

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
5	17-1-102(4)	Administration	FY End	LFC	DeWitt	
Short Description: Reports on general fund/non-general fund encumbrances remaining at fiscal year-end. After 3 years, approved extensions must be reported.						
Reports Scheduled / Rec'd: <u>During Fiscal Year</u> <u>Submitted by</u> <u>Due Date</u> <u>Recd Date</u> <u>Comment</u>						
		2008	Administration	9/15/2007	9/4/2007	On file - Non-GF encumbrance extensions
		2008	Administration	9/15/2007	9/4/2007	On file - GF encumbrance extensions

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
6	17-2-107(5)	CHE/Administration	Annual	LFC	Peura	DeWitt
Short Description: Loans or loan extensions authorized for two consecutive fiscal years to same accounting entity - due 9/1 of the next year.						
Reports Scheduled / Rec'd: <u>During Fiscal Year</u> <u>Submitted by</u> <u>Due Date</u> <u>Recd Date</u> <u>Comment</u>						
		2008	CHE	9/1/2007	9/4/2007	On file
		2008	Administration	9/1/2007	9/17/2007	On file

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
7 17-2-107(6)	Commissioner Higher Ed	Annual	LFC	Peura	
Short Description: Negative cash balances for any two consecutive fiscal years - due 9/1 of the next year.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	CHE	9/1/2007	11/30/2007	None to report except MSU-N item
	2008	CHE	11/30/2007	11/20/2007	Related report - MSU-N specific

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
8 17-2-111	Administration	Feb. 1, 2008	LFC	Moe	
Short Description: Information of state special revenue accounts if requested by the LFC. (A letter was sent in December 2007 to the Department of Administration requesting certain information on state special revenue accounts established or modified since July 1, 2002.)					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	Administration	2/1/2008	1/31/2008	On file and being reviewed by LFD staff

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
9 17-2-304(1)	Approving Authority	Sept 15	LFC	Purdy	
Short Description: Information concerning accounts with cash balances in excess of statutory limits; certification of statutory exceptions.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	OBPP	9/15/2007	10/5/2007	On file

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
10 17-7-140(1)(b)	Agencies	Upon Occur.	LFD	Purdy	
Short Description: Analyze if GF program is mandatory and analyze the impact of the proposed reduction in spending in instances in which the Governor is proposing reductions in spending of up to 10 percent. The "trigger" for this to occur is in statute.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	0				No reported occurrences

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
11	17-7-140(1)(b)	Budget Director	Upon Occur.	LFD	Purdy	
	Short Description: Copy of the recommendations for reductions in spending. The "trigger" for this to occur is in statute.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008				No reported occurrences

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
12	17-7-304(2)	USystem (Bd of Regents)	If Requested	LFC	Peura	Duncan
	Short Description: Long-term plan for major and deferred maintenance expenditures and equipment or fixed assets.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008				Not requested at this time

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
13	17-8-101 (5)	OBPP	Semi-Annual	LFC	Purdy	
	Short Description: Appropriations transferred from one state agency to another if original purpose is maintained.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	OBPP	9/15/2007	7/20/2007	On file
	2008	OBPP	2/15/2008	2/4/2008	On file

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
14	17-8-101 (7)	Administration	Annually	LFC	DeWitt	
	Short Description: Nature, status, and justification for all new accounts in the enterprise fund and the internal service fund.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	Administration	9/30/2007	9/18/2007	On file

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
<b>15</b> 33-22-1514(4)	Lead Carrier (BC/BS)	Semi-Annual	LFC	Wilkinson	
<b>Short Description:</b> Report on the operation of the Montana Comprehensive Health Association plan by selected lead carrier, which is Blue Cross/Blue Shield. (Copies on the annual report are sent direct to all legislators.)					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	Blue Cross/Blue Shield	10/15/2007	10/9/2007	On file - FY07 annual report
	2008	Blue Cross/Blue Shield	4/15/2008	3/26/2008	On file - FY08 semi-annual report

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
<b>16</b> 39-71-2363(2c)	State Fund	October 1	LFC	Wilkinson	
<b>Short Description:</b> Submit for review the approved annual budget for State Fund for the succeeding fiscal year.					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	State Fund	10/1/2007	10/1/2007	On file - copy of 2008 budget request
	2009		10/1/2008		Not due yet

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
<b>17</b> 50-4-805(5)(a)	DPHHS	TBD	LFC	Steinbeck	
<b>Short Description:</b> Interim reports on the status of the creation or expansion of community health centers and program expenditures as provided in HB 406 (2007 session)					

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008				Due dates TBD

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
<b>18</b> 53-6-110(4)	DPHHS	Monthly	LFC	Steinbeck	

**Short Description:** Monthly (11/15 - 6/15) reports containing estimates of the cost for Medicaid services and a budget status report for all department programs, and a fiscal year-end summary of Medicaid costs and department budget status report.

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	DPHHS	9/15/2007	9/15/2007	FYE report - provided to LFA analyst
	2008	DPHHS	11/15/2007	11/29/2007	Provided to LFA analyst
	2008	DPHHS	12/15/2007	2/15/2008	Provided to LFA analyst
	2008	DPHHS	1/15/2008	3/21/2008	Provided to LFA analyst
	2008	DPHHS	2/15/2008		Past due
	2008	DPHHS	3/15/2008		Past due
	2008	DPHHS	4/15/2008		Past due
	2008	DPHHS	5/15/2008		Past due
	2008	DPHHS	6/15/2008		Not due yet
	2009	DPHHS	9/15/2008		FYE 2008 report - Not due yet

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
<b>19</b> 53-6-116(5)	DPHHS	Upon Occur.	LFC	Steinbeck	

**Short Description:** Managed-care and capitated health care systems for medicaid recipients if developed.

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008				No reported occurrences - none expected

Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
<b>20</b> 53-1-611(1)	DPHHS	Upon Occur.	LFC	Steinbeck	

**Short Description:** Report on proposed Medicaid block grants with respect to statutory criteria for evaluating such grants

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008				No reported occurrences

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
21	53-21-702(4)(d)	DPHHS	Upon Occur.	LFC	Steinbeck	

**Short Description:** Mental Health Oversight Advisory Council summary of each meeting and copy of any recommendations made to the department

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008				No reported occurrence

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
22	75-1-1101(5)	Governor	Annually by Sept 15	LFC	Smith	

**Short Description:** Annual financial report on the environmental contingency account, including a description of all expenditures made since the previous report (HB 116 of 2007 session effective July 1, 2007). First report would be for FY ending June 30, 2008.

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2009		9/15/2008		Report for FY 2008 not due yet

	Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
23	85-1-605(4)	Nat Resources & Cons	Upon Occur.	LFC	Duncan	

**Short Description:** Allocation of renewable resource grants and loans for emergencies.

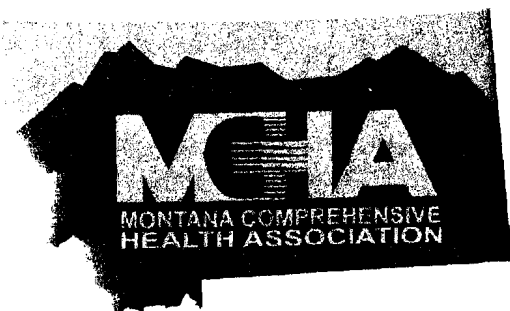
Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	DNRC		9/1/2007	On file
	2008	DNRC		2/13/2008	On file - no change from previous report
	2008	DNRC		5/14/2008	On file



Authority	Reporting Entity	Frequency	To	Staff Review 1	Staff Review 2
24 90-6-703	Commerce	Upon Occur.	LFC	Duncan	

**Short Description:** Report on emergency grants awarded from an appropriation from the treasure state endowment special revenue account for emergency grants.

Reports Scheduled / Rec'd:	<u>During Fiscal Year</u>	<u>Submitted by</u>	<u>Due Date</u>	<u>Recd Date</u>	<u>Comment</u>
	2008	Commerce		9/19/2007	On file
	2008	Commerce		11/29/2007	On file
	2008	Commerce		2/13/2008	On file



March 25, 2008

THE HONORABLE JOHN MORRISON  
STATE AUDITOR / COMMISSIONER OF INSURANCE  
STATE OF MONTANA  
840 HELENA AVE  
HELENA, MT 59601

RE: MCHA Semi-Annual Financial Report

Dear Commissioner Morrison:

Enclosed is the Montana Comprehensive Health Association (MCHA) Semi-Annual Financial Report as prepared by the Lead Carrier, Blue Cross Blue Shield of Montana, for the period, July 1 through December 31, 2007. The report reflects the utilization and enrollment experience.

During this period, the plans experienced a decrease in enrollment totaling 35 members as compared to the enrollment reported as of December 31, 2006. At year end the plans provided coverage for a total of 3,101 members. The breakdown by plan is as follows: 1,410 members for the Association (Traditional) Plan, 244 members for the Premium Assistance Plan, and 1,447 members for the Portability Plan. A copy of this report will be provided to the appropriate staff at the Legislative Fiscal Division in compliance with 33-22-1514 (4) Montana Code Annotated.

On behalf of the Board of Directors, thanks to you and your staff for the assistance provided during the past year.

Very truly yours,

CECIL D. BYKERK  
Executive Director

CDB:lep

Enclosure

cc: Carol Roy, Dept. of Insurance  
✓ Jon Moe, Legislative Fiscal Division  
MCHA Board of Directors

#15  
Reply to:  
560 North Park Avenue  
P.O. Box 4309  
Helena, Montana 59604-4309  
(406) 444-8537  
[www.mthealth.org](http://www.mthealth.org)  
[www.bluecrossmontana.com](http://www.bluecrossmontana.com)

Administered by Blue Cross and Blue Shield of Montana  
An Independent Licensee of the Blue Cross and Blue Shield Association

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FISCAL ANALYST

**MONTANA COMPREHENSIVE HEALTH ASSOCIATION****STATEMENT OF FINANCIAL POSITION****December 31,**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash on Deposit	3,686,809	7,915,571
Member Assessments Receivable	5,138,813	1,193,702
Accounts Receivable - BCBSMT	36,482	0
A/R State Subsidy	258,255	170,045
A/R Federal TAA Grant	3,389	166,090
A/R - Interest	<u>21,107</u>	<u>21,584</u>
TOTAL CURRENT ASSETS	9,144,855	9,466,992
<b>LONG TERM ASSETS</b>		
Reserve Deposits	<u>3,109,627</u>	<u>2,000,000</u>
TOTAL LONG TERM ASSETS	3,109,627	2,000,000
<b>TOTAL ASSETS</b>	<u><u>12,254,482</u></u>	<u><u>11,466,992</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable-BCBSMT	0	146,994
Accounts Payable - miscellaneous	0	0
Provision for Unpaid Unreported Claims	<u>2,842,601</u>	<u>2,289,813</u>
TOTAL CURRENT LIABILITIES	2,842,601	2,436,807
NET ASSETS (DEFICIT) - Board Restricted	3,109,627	2,000,000
NET ASSETS (DEFICIT) - Unrestricted	<u>6,302,254</u>	<u>7,030,186</u>
TOTAL NET ASSETS	9,411,881	9,030,186
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>12,254,482</u></u>	<u><u>11,466,992</u></u>
<b>PROVISION FOR UNPAID UNREPORTED CLAIMS</b>		
Portability Plan	1,574,445	1,183,236
Association Plan	956,206	882,707
Premium Assistance Plan	<u>311,950</u>	<u>223,870</u>
TOTAL	2,842,601	2,289,813

**Preliminary – Subject To Audit**

**MONTANA COMPREHENSIVE HEALTH ASSOCIATION**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR TO DATE**  
**December 31,**

	2007				2006			
	Portability Plan	Association Plan	Premium Assistance Plan	Total	Portability Plan	Association Plan	Premium Assistance Plan	Total
<b>PREMIUMS</b>								
Premiums Received	4,329,513	3,268,292	481,145	8,078,950	4,356,251	3,171,390	411,413	7,939,054
Subsidy Premiums (Grant)	0	0	388,392	388,392	0	0	342,739	342,739
Less Commissions	13,900	9,000	1,100	24,000	14,400	9,900	200	24,500
Net Premiums Received	4,315,613	3,259,292	868,437	8,443,342	4,341,851	3,161,490	753,952	8,257,293
<b>UTILIZATION</b>								
Claims Paid	6,267,436	5,539,669	1,740,444	13,547,548	6,840,299	4,394,680	1,004,475	12,239,454
Change in IBNR	231,541	62,891	120,535	414,967	213,379	(106,771)	36,392	143,000
Other Utilization (Pre-cert)	31,450	30,781	5,263	67,494	33,705	31,136	4,817	69,657
Other Utilization (Disease Management)	9,538	9,335	1,596	20,470	10,222	9,443	1,461	21,126
Total Utilization	6,539,966	5,642,675	1,867,838	14,050,479	7,097,605	4,328,487	1,047,144	12,473,236
<b>EXCESS CLAIMS</b>	(2,224,353)	(2,383,384)	(999,401)	(5,607,137)	(2,755,754)	(1,166,997)	(293,192)	(4,215,943)
<b>OTHER INCOME</b>								
Member Assessments	2,975,963	4,463,946	0	7,439,909	3,769,202	3,342,500	0	7,111,701
Interest Income Reserved Deposit	0	0	67,417	67,417	0	0	0	0
Interest Income (Expense)	(1,042)	130,753	0	129,711	(7,407)	169,359	0	161,952
Total Other Income	2,974,921	4,594,699	67,417	7,637,038	3,761,794	3,511,859	0	7,273,653
<b>TOTAL INCOME</b>	<b>750,568</b>	<b>2,211,316</b>	<b>(931,983)</b>	<b>2,029,901</b>	<b>1,006,040</b>	<b>2,344,861</b>	<b>(293,192)</b>	<b>3,057,709</b>
<b>OPERATING EXPENSES</b>								
Advertising	54	53	8	116	56	52	7	116
Administrative Assistant Costs	8,313	8,136	1,252	17,701	10,475	9,677	1,347	21,499
Administration costs - premiums	162,962	113,753	41,414	318,129	157,989	132,537	37,901	328,427
Administration costs - assessments	112,014	155,367	0	267,382	136,699	139,687	0	276,386
Board Travel and Meetings	9,854	9,644	1,484	20,981	9,373	8,658	1,205	19,236
Dues and Subscriptions	0	0	0	0	365	338	47	750
Professional Liability Insurance	4,339	4,247	654	9,240	4,502	4,159	579	9,240
Legal and Auditing Services	0	0	0	0	0	0	0	0
Actuarial Consulting Services	21,013	20,565	3,165	44,743	21,272	19,650	2,736	43,658
Consultants	10,097	9,882	1,521	21,500	8,283	7,652	1,065	17,000
Lobbying Fees	0	0	0	0	0	0	0	0
Supplies, Postage, Printing & Reproduction	46	45	7	97	1,055	975	136	2,166
Telephone	225	220	34	479	246	228	32	505
Miscellaneous Expense	168	164	25	358	327	536	42	905
<b>TOTAL EXPENSES</b>	<b>329,084</b>	<b>322,076</b>	<b>49,564</b>	<b>700,724</b>	<b>350,643</b>	<b>324,147</b>	<b>45,097</b>	<b>719,887</b>
<b>REIMBURSEMENTS</b>								
Federal TAA Grant Income	0	0	0	0	0	0	0	0
Federal Bonus Grant (DM)	9,538	9,335	1,596	20,470	0	0	0	0
State Subsidy Income	0	0	0	0	0	0	0	0
<b>TOTAL REIMBURSEMENTS</b>	<b>9,538</b>	<b>9,335</b>	<b>1,596</b>	<b>20,470</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET OPERATING EXPENSES</b>	<b>319,546</b>	<b>312,741</b>	<b>47,968</b>	<b>680,255</b>	<b>350,643</b>	<b>324,147</b>	<b>45,097</b>	<b>719,887</b>
<b>NET INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>431,022</b>	<b>1,898,575</b>	<b>(979,951)</b>	<b>1,349,646</b>	<b>655,398</b>	<b>2,020,714</b>	<b>(338,290)</b>	<b>2,337,822</b>
Net assets (deficit) at beginning of year	5,006,372	3,899,575	(843,712)	8,062,235	4,486,225	2,915,323	(709,184)	6,692,364
Net assets (deficit) at end of period	5,437,394	5,798,150	(1,823,662)	9,411,881	5,141,622	4,936,037	(1,047,474)	9,030,186
<b>KEY RATIO ANALYSIS:</b>								
Claims Loss Ratio	151.5%	173.1%	215.1%	166.4%	163.5%	136.9%	138.9%	151.1%
Gross Operating Expense Ratio	7.6%	9.9%	5.7%	8.3%	8.1%	10.3%	6.0%	8.7%
Net Operating Expense Ratio	7.4%	9.6%	5.5%	8.1%	8.1%	10.3%	6.0%	8.7%
Net Assets (Deficit) at End of Year	126.0%	177.9%	-210.0%	111.5%	118.4%	156.1%	-138.9%	109.4%
<b>ENROLLMENT AT END OF PERIOD</b>	<b>1,447</b>	<b>1,410</b>	<b>244</b>	<b>3,101</b>	<b>1,501</b>	<b>1,417</b>	<b>218</b>	<b>3,136</b>

**Preliminary – Subject To Audit**

**EMERGENCY GRANT REPORT****MONTANA DEPARTMENT OF NATURAL RESOURCES AND  
CONSERVATION-RESOURCE DEVELOPMENT BUREAU****Report Date: May 1, 2008****Renewable Resource Grant and Loan Program Emergency Grant  
Appropriation for the 2009 Biennium-\$100,000****Town of Brockton \$30,000  
Emergency Water System Improvements  
August, 2007**

In February, 2007, a water main connecting Brockton's drinking water supply with its storage reservoir and distribution system ruptured beneath the Burlington Northern Santa Fe railroad tracks. An emergency temporary repair was immediately made, but the railroad required that a permanent cased line be installed prior to November 1, 2007, at an estimated cost of \$102,000.

**Helmville School District No. 15 \$10,000  
Emergency Water System Improvements  
March, 2008**

In February, 2008, the Helmville school district received an administrative order from DEQ giving them 60 days to design and have in operation a disinfection system for their water well. Water samples from the well have repeatedly exceeded total coliform limits for several months. An emergency grant in the amount of \$10,000 was awarded to offset the \$14,000 project (includes engineering costs and a 15% contingency).

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